

4/18/01 assessment db updated on

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

E-01032A
ARIZONA ELECTRIC
A DIVISION OF CITIZENS COMMUNICATIONS COMPANY
1450 POYDRAS STREET 18TH FLOOR
NEW ORLEANS LA 70112

Lc

ANNUAL REPORT

FOR YEAR ENDING

12	31	2000
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FOR COMMISSION USE

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COMPANY INFORMATION

Company Name (Business Name Arizona Electric, a Division of Citizens Communications Company
(Santa Cruz Electric and Mohave Electric)

Mailing Address 1450 Poydras Street, 18th Floor
(Street)

New Orleans LA 70112
(City) (State) (Zip)

(504)299-4501 (504)544-5822
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address kcohen@czn.com

Local Office Mailing Address 1300 South Yale Street
(Street)

Flagstaff AZ 86001
(City) (State) (Zip)

(520)774-4592 Ext 2212 (520)779-5338
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address dmccarth@czn.com

MANAGEMENT INFORMATION

Management Contact: Kenneth L. Cohen V.P. & Controller
(Name) (Title)

1450 Poydras Street, 18th Floor New Orleans LA 70112
(Street) (City) (State) (Zip)

(504) 299-4501 (504)544-5822
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address kcohen@czn.com

On Site Manager: Dan McCarthy
(Name) (Title)

1300 South Yale Street Flagstaff AZ 86001
(Street) (City) (State) (Zip)

(520) 226-2212 (504) 779-5338
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address dmccarth@czn.com

STATUTORY AGENT:

United States Corporation Co.

(NAME)

3636 N. Central Ave.

(Street)

Phoenix

(City)

AZ

(State)

85012

(Zip)

(602) 249-2550

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

ATTORNEY:

L. Russell Mitten

(NAME)

3 High Ridge Park

(Street)

Stamford

(City)

Ct

(State)

06905

(Zip)

(203) 614-5047

Telephone No. (Include Area Code)

(206) 614-4651

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)☐ C Corporation (C) (Other than Association/Co-op)☐ Partnership (P)☐ Subchapter S Corporation (Z)☐ Bankruptcy (B)☐ Association/Co op (A)☐ Receivership (R)☐ Limited Liability Company☒ Other (Describe) _____ a division of Citizens Communications Company**COUNTIES SERVED**

Check the following box that applies to your company:

☐ APACHE☐ COCHISE☐ COCONINO☐ GILA☐ GRAHAM☐ GREENLEE☐ LA PAZ☐ MARICOPA☒ MOHAVE☐ NAVAJO☐ PIMA☐ PINAL☒ SANTA CRUZ☐ YAVAPAI☐ YUMA☐ STATEWIDE

SERVICES AUTHORIZED TO PROVIDE

Check the following box's for the services that you are authorized to provide:

☒ Electric

- ☒ Investor Owned Electric
- ☐ Rural Electric Cooperative
- ☐ Electric Service Provider
- ☐ Transmission Service Provider
- ☐ Utility Distribution Company
- ☐ Meter Service Provider
- ☐ Meter Reading Service Provider
- ☐ Billing and Collection
- ☐ Ancillary Services

☐ Telecommunications

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☐ Gas

- ☐ Natural Gas
- ☐ Propane

☐ Other (Specify) _____

STATISTICAL INFORMATION

Total number of customers (All Utilities) 71,642

Total access lines (Telecommunications Only) N/A lines

Total kilo Watt hours sold (Electric Utility Only) 1,221,099,000 kW

Maximum Peak Load (Electric Utility Only) 302,886 kW

Total therms sold (Gas Utility Only) N/A therms

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Louisiana

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	
Orleans	
NAME (OWNER OR OFFICIAL) TITLE	
Kenneth L. Cohen	VP & Controller
COMPANY NAME	
Arizona Electric Division	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
December	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$) <u>\$102,800,071</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 5,998,629
IN SALES TAXES BILLED, OR COLLECTED

** REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPL

Kenneth L. Cohen
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER _____

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

12th

DAY OF

COUNTY NAME	
JEFFERSON	
MONTH	2001
April	

(SEAL)

Maureen O'Quinn
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES AT DEATH

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	
Orleans	
NAME (OWNER OR OFFICIAL) TITLE	
Kenneth L. Cohen	VP & Controller
COMPANY NAME	
Arizona Electric Division	

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FOR THE YEAR ENDING

MONTH	DAY	YEAR
December	31	2000

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Arizona IntraState Gross Operating Revenues \$50,312,065

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 2,935,829

IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

x Kenneth L. Cohen
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

STATE OF LOUISIANA
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12th DAY OF

(SEAL)

MY COMMISSION EXPIRES AT DEATH

NOTARY PUBLIC NAME	
MARSHALL F. ORDEMANN JR.	
COUNTY NAME	
JEFFERSON	
MONTH	2001
April	

x Marshall F. Ordeann Jr.
SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2000) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing.

BALANCE SHEET

ASSETS	LINE NO.	TOTALS FOR REPORT YEAR (Dollars Only-No Cents)
UTILITY PLANT		
UTILITY PLANT IN SERVICE (= 076)	002	256,080,945
ACCUMULATED DEPRECIATION & AMORTIZATION	003	96,278,773
NET UTILITY PLANT IN SERVICE (002 - 003)	004	159,802,172
OTHER UTILITY PLANT (= 086)	005	27,626,408
ACCUMULATED DEPRECIATION & AMORTIZATION	006	
NET OTHER UTILITY PLANT (005 - 006)	007	27,626,408
TOTAL UTILITY PLANT (002 + 005) (= 087)	008	283,707,353
ACCUMULATED DEPRECIATION & AMORTIZATION (003 + 006)	009	96,278,773
NET TOTAL UTILITY PLANT (008 - 009)	010	187,428,580
OTHER PROPERTY & INVESTMENTS		
GAS STORED UNDERGROUND: NON-CURRENT	011	
NON-UTILITY PROPERTY	012	
ACCUMULATED DEPRECIATION & AMORTIZATION	013	
NET NON-UTILITY PROPERTY (012 - 013)	014	
INVESTMENT IN & ADVANCES TO ASSOCIATED COMPANIES	015	
OTHER INVESTMENTS & SPECIAL FUNDS	016	
CURRENT & ACCRUED ASSETS		
CASH, SPECIAL DEPOSITS & WORKING FUNDS	017	82,693
TEMPORARY INVESTMENTS	018	
NOTES, ACCOUNTS & OTHER RECEIVABLES	019	11,389,524
ALLOWANCE FOR DOUBTFUL ACCOUNTS	020	(346,678)
RECEIVABLES FROM ASSOCIATED COMPANIES	021	88,568,261
MATERIALS & SUPPLIES	022	1,710,268
GAS STORED UNDERGROUND-CURRENT	023	
PREPAYMENTS	024	17,167
OTHER CURRENT & ACCRUED ASSETS	025	
TOTAL CURRENT & ACCRUED ASSETS (017 + THRU 025)	026	101,421,235

BALANCE SHEET (Cont'd.)

ASSETS (Cont'd)	LINE	TOTALS FOR REPORT YEAR
DEFERRED DEBITS	NO.	(Dollars Only-No Cents)
LOANS AVAILABLE FROM REA	027	
UNAMORTIZED DEBT DISCOUNT & EXPENSE	028	
EXTRAORDINARY PROPERTY LOSSES	029	
PRELIMINARY SURVEY & INVESTIGATION	030	342,062
OTHER DEFERRED DEBITS	031	64,412,690
TOTAL DEFERRED DEBITS (027 + THRU 031)	032	64,754,752
TOTAL ASSETS (010 + 011 + 014 + 015 + 016 + 026 + 032) (= 068)	033	353,604,567

LIABILITIES & CAPITAL		
PROPRIETARY CAPITAL		
COMMON CAPITAL STOCK	034	
REACQUIRED CAPITAL STOCK	035	
PREFERRED CAPITAL STOCK	036	
OTHER PAID-IN CAPITAL	037	
PREMIUM/DISCOUNT ON CAPITAL STOCK	038	
CAPITAL STOCK EXPENSE	039	
OTHER CAPITAL ITEMS	040	
RETAINED EARNINGS (= 125)	041	139,198,238
NON-CORPORATE PROPRIETORSHIP	042	
TOTAL PROPRIETARY CAPITAL (034 + THRU 042)	043	139,198,238
LONG TERM DEBT		
BONDS PAYABLE	044	
ADVANCES FROM ASSOCIATED COMPANIES	045	
LONG TERM DEBT-REA		
OTHER LONG TERM DEBT	046	
TOTAL LONG TERM DEBT (044 + 045 + 046)	047	
CURRENT & ACCRUED LIABILITIES		
NOTES PAYABLE (SHORT TERM DEBT)	048	
ACCOUNTS PAYABLE	049	7,047,294
CURRENT PORTION OF LONG TERM DEBT	050	
PAYABLES TO ASSOCIATED COMPANIES	051	176,253,717
INTEREST & DIVIDENDS PAYABLE	052	

BALANCE SHEET (Cont'd.)

LIABILITIES & CAPITAL (Cont'd.)		
	LINE NO.	TOTALS FOR REPORT YEAR (Dollars Only-No Cents)
CURRENT & ACCRUED LIABILITIES (Cont'd' d)		
CUSTOMER DEPOSITS	053	2,668,253
ADVANCE BILLINGS & PAYMENTS	054	
TAXES ACCRUED	055	2,666,182
INTEREST ACCRUED	056	452,715
TAX COLLECTIONS PAYABLE	057	83,458
OTHER CURRENT & ACCRUED LIABILITIES	058	
TOTAL CURRENT AND ACCRUED LIABILITIES (048+ THRU 058)	059	189,171,619
DEFERRED CREDITS		
UNAMORTIZED PREMIUM ON LONG TERM DEBT	060	
CUSTOMER ADVANCES FOR CONSTRUCTION	061	16,053,556
OPERATING RESERVES	062	
CONTRIBUTIONS IN AID OF CONSTRUCTION	063	
ACCUMULATED DEFERRED INCOME TAXES	064	8,364,302
ACCUMULATED DEFERRED INVESTMENT TAX CREDIT	065	816,852
OTHER DEFERRED CREDITS	066	
TOTAL DEFERRED CREDITS (060 + THRU 066)	067	25,234,710
TOTAL LIABILITIES & CAPITAL (043 + 047 + 059 + 067) (= 033)	068	353,604,567

UTILITY PLANT IN SERVICE		
INTANGIBLE PLANT	069	2,787,042
PRODUCTION PLANT	070	14,331,325
STORAGE PLANT	071	
TRANSMISSION PLANT	072	28,189,765
DISTRIBUTION PLANT	073	190,777,902
GENERAL PLANT	074	19,994,911
OTHER TANGIBLE PLANT	075	
TOTAL UTILITY PLANT IN SERVICE (069 + THRU 075) (= 002)	076	256,080,945

SUPPLEMENTARY UTILITY PLANT INFORMATION (Cont'd.)

UTILITY PLANT (Cont'd.)	LINE	TOTALS FOR REPORT YEAR
OTHER UTILITY PLANT	NO.	(Dollars Only-No Cents)
PLANT PURCHASED	077	
PLANT SOLD	078	
PLANT IN PROCESS OF RECLASSIFICATION	079	
PLANT LEASED TO OTHERS	080	
PLANT HELD FOR FUTURE USE	081	
CONSTRUCTION WORK IN PROGRESS	082	27,626,408
PLANT ACQUISITION ADJUSTMENTS	083	
OTHER PLANT ADJUSTMENTS	084	
OTHER PLANT	085	
TOTAL OTHER UTILITY PLANT (077 + THRU 085) (= 005)	086	27,626,408
TOTAL UTILITY PLANT (076 + 086) (= 008)	087	283,707,353

OPERATING REVENUES	088	102,800,071
OPERATING EXPENSES		
OPERATION EXPENSE	089	67,821,136
MAINTENANCE EXPENSE	090	1,812,663
DEPRECIATION EXPENSE	091	10,934,111
AMORTIZATION EXPENSE	092	
TRAFFIC EXPENSE	093	
COMMERCIAL EXPENSE	094	
GENERAL OFFICE SALARIES & EXPENSE	095	
PROPERTY TAX	096	2,877,996
INCOME TAX	097	2,740,527
TAXES OTHER THAN PROPERTY & INCOME	098	7,248,057
PROVISION FOR DEFERRED INCOME TAXES	099	
INCOME TAXES DEFERRED IN PRIOR YEARS	100	
INVESTMENT TAX CREDIT ADJUSTMENTS	101	(208,842)
OTHER OPERATING EXPENSES	102	
TOTAL OPERATING EXPENSES (089 + THRU 102)	103	93,225,648

	LINE NO	TOTALS FOR REPORT YEAR (Dollars Only-No Cents)
NET OPERATING REVENUES (088 - 103)	104	9,574,423
INCOME FROM UTILITY PLANT LEASED TO OTHERS	105	
OTHER UTILITY OPERATING INCOME	106	
TOTAL UTILITY OPERATING INCOME (104 + 105 + 106)	107	9,574,423
OTHER INCOME	108	(24,035)
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	109	853,114
OTHER DEDUCTIONS	110	5,166,210
NET INCOME BEFORE INTEREST DEDUCTIONS & EXTRAORDINARY ITEMS (107 + 108 + 109 - 110)	111	5,237,292
INTEREST DEDUCTIONS		
INTEREST ON LONG TERM DEBT	112	
DEBT PREMIUM /DISCOUNT EXPENSE	113	
OTHER INTEREST DEDUCTIONS	114	151,419
TOTAL INTEREST DEDUCTIONS (112+113+114)	115	151,419
NET INCOME		
NET INCOME BEFORE EXTRAORDINARY ITEMS (111 - 115)	116	5,085,873
EXTRAORDINARY ITEMS	117	
MISCELLANEOUS DEBITS TO MARGINS/EQUITIES	118	
NET INCOME (116 + 117)	119	5,085,873
RETAINED EARNINGS		
RETAINED EARNINGS - BEGINNING	120	134,112,365
OTHER ADDITIONS	121	
LESS-PREFERRED STOCK DIVIDENDS	122	
LESS COMMON STOCK DIVIDENDS	123	
OTHER DEDUCTIONS	124	
RETAINED EARNINGS-ENDING (119 + 120 + 121 - 122 - 123 - 124) (= 041)	125	139,198,238

Citizens Communications Company
1450 Poydras Street, 18th Floor
New Orleans, LA 70112
504-299-4501



April 13, 2001

ARIZONA CORPORATION COMMISSION
COMPLIANCE SECTION, UTILITIES DIVISION
1200 WEST WASHINGTON STREET
PHOENIX, AZ. 85007

RE: 2000 UTILITY ANNUAL REPORT
CITIZENS COMMUNICATIONS COMPANY
ARIZONA ELECTRIC DIVISION

Dear Sir,

Enclosed please find original Utility Annual Report for the Arizona Electric Division including Santa Cruz Electric and Mohave Electric combined. This Annual Report is for the fiscal year ended December 31, 2000.

If any additional information is needed, please do not hesitate to call me.

Very Truly Yours,

Kenneth L. Cohen
Vice-President and Controller
Citizens Communications Company

Enclosures